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VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
335 12th Street, SW
Washington, D.C. 20554

**Re: Application for Authority to Transfer Control of XM Satellite Radio Inc. and Sirius
Satellite Radio Inc., MB Docket No. 07-57**

On behalf of Citizen Outreach Project, I write in strong support of the proposed merger of SIRIUS Satellite Radio ("Sirius") and XM Satellite Radio ("XM"). For the various reasons cited below, we strongly urge the Federal Communications Commission ("FCC") to allow the merger to proceed without government interference.

As its name suggests, the "free market" should be able to operate without intervention from the government. If federal regulators block this merger, thereby preventing the free market from operating as it should, the government will essentially prevent consumers from enjoying more choices at lower prices.

In actuality, the merger will strengthen the satellite radio industry, allowing it to more effectively compete with the various options available within the audio entertainment marketplace, mainly free, terrestrial radio, HD radio, Internet radio, iPods and other MP3 players, music enabled cell phones, and CDs, just to name a few.

Some opponents of the merger claim the deal will result in a monopoly, in which a single satellite radio company will be able to exercise market power. This claim is entirely false.

The main opponent of this merger, terrestrial radio, represented by the National Association of Broadcasters, is afraid of a strengthened satellite radio industry. This merger will actually promote a freer market in which terrestrial radio and other audio entertainment options will have to compete more actively for listeners.

According to a fall 2006 Arbitron survey, satellite radio accounts for just 3.4% of all radio listening. This figure proves that even after a merger, satellite radio will control but a tiny sliver of the audio marketplace. Ironically, despite their vehement opposition to this merger on the grounds that it will result in a monopoly, terrestrial radio in fact currently maintains a near monopoly in the audio marketplace.

Government intervention in this merger is simply not warranted.

If consumers decide post-merger that a single satellite radio platform is not operating in the public interest, they will simply look elsewhere for audio entertainment. Satellite radio is not a public utility; rather it is a luxury service that consumers choose to purchase.

Despite claims that a merged firm will raise subscription prices, both companies have announced publicly that doing so would be a bad business decision. In order to survive, satellite radio must entice more listeners. It is obvious that raising satellite radio subscription prices will not allow the medium to effectively compete against a free radio.

In closing, I ask that the FCC allow this merger to proceed so that consumers can enjoy the benefits of the free market in the audio entertainment industry.

Respectfully Submitted,

Chuck Muth
President and CEO
Citizen Outreach Project